

PM's statement at the Joint Press Conference with President Luiz Inacio Lula da Silva of Brazil

13/09/2006

^^ It is indeed a pleasure and privilege to visit this beautiful country. I would like to thank President Lula for the extremely gracious reception and hospitality. My visit to Brazil is after a 38 year-old hiatus since the last visit by Prime Minister Indira Gandhi. The significance of this bilateral visit is further enhanced by the holding of the first IBSA Summit which would be taking place tomorrow.

India and Brazil are large pluralistic democracies. Our economic growth is broad-based and multifaceted. This provides opportunities for expansion of our bilateral trade and economic relations. Our economic growth is also of global significance, as part of the so-called BRIC countries.

I convey to President Lula today that India will support all efforts to ensure a qualitative transformation of our bilateral relations and their elevation to that of a strategic partnership. I am very happy that President Lula has graciously accepted this suggestion. To further facilitate and coordinate cooperation in various areas, a strategic dialogue has been agreed to.

Our bilateral trade has grown in the last five years. From a mere 500 million dollars in 2002, trade between our two countries has increased fivefold to reach 2.5 billion. We are hopeful of further rapid expansion in our bilateral trade in the coming years. Implementation of the India-MERCOSUR PTA and the proposed deepening and expansion of our trade relations in the framework of IBSA will be important steps in that direction.

We are indeed gratified that there has been an upsurge in investment flows. Major Indian companies such as Tata Consultancy Services, Ranbaxy, Dr. Reddy's among others, have taken advantage of opportunities in the Brazilian market. ONGC Videsh has earmarked approximately 400 million dollars for acquisition of a state in an offshore block in South-East Brazil.

It is my sincere conviction that there is considerable scope for the expansion of our cooperation in the agricultural sector, particularly food processing. We would like greater interaction between our agricultural universities and food processing sectors. We invite Brazil to partake in India's success in IT, Bio-technology and Pharmaceuticals.

We have supported the Ethanol Initiative proposed by President Lula. Indian companies from both public and private sector have evinced interest in exploring production opportunities in Brazil to meet the anticipated growth in Ethanol used in India for both industrial as well as automobile use.

India and Brazil have a long tradition of cooperation in international fora including on global trade and economic issues. We have worked together in the WTO and are both united in our desire for a successful conclusion of the Doha Round of negotiations. We have been partners in the G-4 efforts to work towards expansion of the Permanent Membership of the UN Security Council. Brazil will have the distinction of hosting the first Summit of IBSA tomorrow.

I am very satisfied with my discussions with President Lula this morning. We have covered a whole gamut of relations covering bilateral relations as well as regional arrangements and cooperation in multilateral fora. For me, this visit is a voyage of discovery, to explore in all sincerity the immense scope for expanding areas of cooperation between Brazil and India.

In President Lula we have a brother and a friend. We admire the leadership that he has provided to the developing world as a whole. In him we have a world statesman and it has been a great honour and privilege for me personally to have worked very closely with President Lula in bringing our countries together in diverse fields. We have begun well. But we have a long journey ahead of us and we are confident of traveling that distance together. I have come to Brazil for the first time, but I am leaving behind a part of my heart. I wish him all success in the noble task of building a new Brazil which will be a source of mighty strength for all developing countries. We must endeavour and we shall be seeking to build a new international order which is both more equitable and more participatory developing countries. In that struggle, it is a great source of strength to us to have leaders of the eminence of President Lula. I thank you Mr. President for what you are.

I would like to thank President Lula again for his hospitality and I look forward to welcoming him in India.